

Amendment No. 3 to HB2754

**Vaughn
Signature of Sponsor**

AMEND Senate Bill No. 2498*

House Bill No. 2754

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

by deleting all language following the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 50, Chapter 1, Part 3, is amended by adding the following as a new, appropriately designated section:

(a) As used in this section, employee benefit plan is limited to an insurance plan that provides health insurance coverage of any type, life and accident insurance or disability insurance.

(b) An employer with fifty (50) or more employees may not terminate any employee benefit plan unless that employer provides notice to the affected employees no later than twenty-four (24) hours after termination of the plan. Notice may be accomplished by any reasonable means, including by providing affected employees with written or email notification, by posting information on an employee bulletin board, or by making an announcement on a public address system that is able to be heard by all affected employees, so long as effective notice is given to all affected employees.

(c) Termination of an employee benefit plan includes termination of the employer's portion of the payment for the plan regardless of whether the employee has the option, by law or by contract, to continue to purchase the plan by paying the employer's portion of the payment.

(d) If an employer gives notice to fifty (50) or more employees within a three (3) month period that an employee benefit plan as defined in subsection (a) has been terminated, then notice of the plan termination must be provided to the commissioner of labor and workforce development concurrently with the notice provided to the fiftieth (50th) employee.

(e) Nothing in this section shall be construed to require an employer to provide notice of its intent to terminate an employee, except as otherwise required by law or

contract. Regardless of the period of time between notice of termination of an employee and the effective date of the employee's termination, notice of termination of the employee serves as effective notice of the termination of employee benefit plans for the purposes of this section.

(f) An employer who fails to give notice as required pursuant to subsection (b) is subject to a civil penalty of five hundred dollars (\$500) per employee who did not receive the required notice. This fine shall be assessed by the commissioner of labor and workforce development.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.